

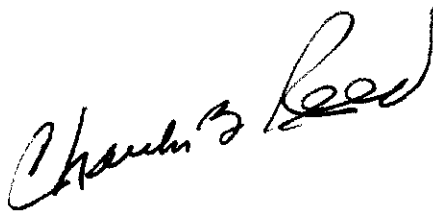
The California State University  
Office of the Chancellor  
400 Golden Shore  
Long Beach, California 90802-4275

(562) 985-2800

**Date:** March 24, 1998

**To:** Presidents

**From:** Charles B. Reed  
Chancellor



**Subject:** Board of Trustee Policy for the California State University Auxiliary Organizations- Executive Order No. 682

I am transmitting to you a copy of Executive Order No. 682 relating to Board of Trustee policy for The California State University auxiliary organizations. This Executive Order supersedes Executive Order #381. The Executive Order both reiterates policies approved by the Board of Trustees in July 1981, and revises that portion of Executive Order #381 which provides an additional mechanism for the president to administer the established responsibilities.

In accordance with policy of The California State University, the campus president has the responsibility for implementing Executive Orders where applicable and for maintaining the campus repository and index for all Executive Orders.

CBR/rv

Attachment

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**Distribution:** Vice President for Academic Affairs  
Vice Presidents for Administration  
Vice President for Student Affairs  
Auxiliary Organization Directors  
Chancellor Office Staff

**The California State University  
Office of the Chancellor  
400 Golden Shore  
Long Beach, California 90802-4275**

**(562) 985-2800**

**Executive Order No.:** 682

**Title:** Board of Trustee Policy for The California State  
University Auxiliary Organizations

**Effective Date:** March 24, 1998

**Supersedes:** Executive Order No. 381

This Executive Order sets forth Board of Trustee policy adopted in July 1981 and amended by this Executive Order concerning auxiliary organizations. These policy statements, which for technical reasons have not been included in the California Code of Regulations (Title 5), are The California State University's policy.

**1. Definition of an Auxiliary Organization**

The following definition of an auxiliary organization clarifies the current definition contained in Title 5, Section 42400 and shall be used by the campus as the most specific California State University definition of auxiliary organizations. (Note: All references to subchapters and sections, unless otherwise stated specifically, refer to Title 5 sections.)

- A. As used in this Subchapter 6, an auxiliary organization is any non-profit entity which (1) has agreed to comply with the applicable requirements of the Board of Trustees and campus; (2) is included in the list of officially recognized auxiliary organizations in good standing maintained by the Chancellor pursuant to Section 42406, infra; and (3) maintains the status of an auxiliary organization in good standing.
- B. Based on the primary functions they perform, auxiliary organizations may be classified in one or more of the following categories:
  - 1) Student Body Organizations
  - 2) Campus Support Service Organizations
  - 3) Foundations for Sponsored Projects, Workshops and Institutes
  - 4) Instructionally Related Activity Organizations

- C. The term auxiliary organization includes any organization described in Education Code Sections 89901 and 89300. The term does not include student body organizations not formed or operating pursuant to Education Code Section 89300, faculty societies, alumni associations, student clubs, societies, sororities, fraternities, or other groups whether or not they are affiliated with an auxiliary organization. They may represent an official relationship to a campus and may use campus facilities subject to compliance with applicable policies, rules, and regulations established by the Board of Trustees and policies of the campus.

2. **Authority and Responsibility of the Campus President**

Title 5, Section 42402 establishes the authority of campus presidents to require auxiliary organizations to operate in conformity with policy of the Board of Trustees and the campus. The president is required to review auxiliary programs and budgets and to require discontinuance of activities not in conformity with policies of the Board of Trustees and campus.

The following Trustee policy supplements the existing policy of this Title 5 Section (42402) and provides an additional mechanism for the president to administer the established responsibilities.

~~The president of the campus shall designate an appropriate officer of the campus to inspect and review all procedures and practices to determine compliance with policies, rules and regulations of the Board of Trustees and policies of the campus, and to make his or her recommendations to the president of the campus and the governing board of the auxiliary organization regarding said procedures and practices. The decision of the president on the recommendations of the campus officer shall be made after he or she has invited the comments from the governing board of the auxiliary organization. This review of each auxiliary organization shall be completed with a three year cycle pursuant to procedures established by the Chancellor.~~

The president of the campus shall cause each recognized auxiliary organization to contract with a certified public accountant to perform an internal compliance/internal control review. The review will be used to determine compliance with law, including rules and regulations of the Education Code and title 5, and compliance with policy of the Board of Trustees and the campus, as well as appropriate separation of duties, safeguarding of assets and reliability and integrity of information. The results of the review shall be reported to the governing board of the auxiliary organization who shall then forward it to the president of the campus along with an action plan and time certain to remedy any deficiencies. After review by the president, the report and responses shall be forwarded to the office of the university auditor no later than one month after initial submission to the governing board. This review of each auxiliary organization shall be completed on a biennial basis pursuant to procedures established by the Chancellor.

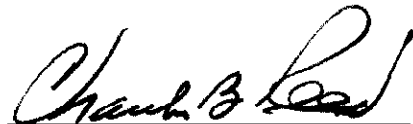
**3. Auxiliary Organizations in Good Standing**

Title 5, Section 42406, requires the Chancellor to establish and maintain a list of auxiliary organizations in good standing and to follow procedures in the removal of an auxiliary organization from the list. The following Trustee policy clarifies and establishes certain related concepts.

The Chancellor shall establish procedures required from probation, suspension, or removal of an auxiliary organization.

Only an auxiliary organization which operates in accordance with policies, rules, and regulations of the Board of Trustees may maintain its special relationship with The California State University as an officially recognized auxiliary organization and use the name of the campus in its title.

An auxiliary organization shall conform to campus policy with respect to all of its activities and functions. In order to ensure conformity with campus policy, the president of the campus shall have representation or membership on the governing body of an auxiliary organization.



Charles B. Reed, Chancellor

March 24, 1998